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MILK MARKET INFORMATION BULLETIN  
CHATTANOOGA, TENNESSEE, MARKETING AREA

Volume 18

JANUARY 1974

MAR 14 '74 Number 6

Released Pursuant to \$1000.3 and \$1090.85, USDA-AMS  
Federal Order No. 90, 112 Lee Parkway Drive, Chattanooga, Tennessee 37411  
J. E. Bobo, Market Administrator

MARKET SUMMARY - JANUARY 1974

The Chattanooga Order MINIMUM uniform producer price is \$9.33 per cwt. at pool plants for milk testing 3.5% butterfat. The producer butterfat differential is 8.2 cents for each one-tenth of one percent above or below 3.5% test. This is a price increase of \$2.43 above January 1973 and an increase of 13 cents above December 1973.

In January 1974, 74.8% of producer milk received by pool plants was priced in Class I at \$9.79 per cwt. and 25.2% was priced in Class II at \$8.10 per cwt. for milk testing 3.5% butterfat. The January handler butterfat differential for Class I was 8.6 cents and Class II was 7.9 cents.

Total producer milk received at pool plants during January 1974 was 30,593,300 pounds which is a decrease of 6,686,705 pounds or a daily average decrease of 17.9% compared with January 1973. The January daily average deliveries from 626 producers was 1,576 pounds. This compares to 769 farms delivering a daily average of 1,564 pounds per day during January 1973.

PRODUCER MILK BASES - 1974

Federal Order Milk bases for producers will be announced by February 28, 1974. Milk Bases were established during September 1973 through January 1974. These bases are to be used for calculating payment to producers for milk deliveries during March through July 1974. If you do not receive your Milk Base Notice soon after March 1, 1974, please notify the Market Administrator, P. O. Box 8085, Chattanooga, Tennessee 37411.

POOL PLANT ROUTE DISPOSITION BY CLASS I ITEMS - JANUARY 1974

	Milk <u>Pounds</u>	Average <u>Test</u>	Percent of <u>Total</u>
Homo Milk	11,791,686	3.54%	56.47%
2% Milk	5,901,299	1.97	28.26
Skim	649,137	.46	3.11
Buttermilk	1,633,508	.22	7.82
Flavored Drink	797,798	1.75	3.82
Half & Half	47,640	11.90	.23
Whip Cream	9,010	35.77	.04
Sour Cream	27,267	20.16	.13
Sour Cr. Dip	16,802	20.08	.08
Yogurt	9,092	1.54	.04
Total	20,883,239	2.74%	100.00%

COMPARISON OF MILK RECEIPTS AND UTILIZATION

	% Jan. '74			
	Over	Jan.	Dec.	Jan.
	Jan. '73	1974	1973	1973
Number of Plants - Pool		<u>4</u>	<u>4</u>	<u>6</u>
- Non-Pool		13	13	12
<u>RECEIPTS POUNDS (DAILY AVERAGE)</u>				
Producer Milk	- 17.9	986,881	969,063	1,202,581
Other Source	+129.9	85,825	84,477	37,324
Other Federal Orders	+ 58.8	<u>97,465</u>	<u>104,042</u>	<u>61,384</u>
TOTAL MILK RECEIPTS	- 10.1	1,170,171	1,157,582	1,301,289
<u>UTILIZATION POUNDS (DAILY AVERAGE)</u>				
<u>Class I Uses</u>				
Homo Milk	- 21.3	380,377	369,205	483,046
Skim	- 13.3	20,940	19,075	24,154
2% Milk	+ 17.1	190,364	185,604	162,502
Buttermilk	- 10.3	52,694	52,310	58,747
Flavored Milk & Drink	+ 3.8	25,735	21,658	24,791
Creams (Sweet and Sour) and Dip	- 12.0	3,249	4,724	3,691
Yogurt	- 67.0	<u>293</u>	<u>187</u>	<u>889</u>
Pkg. Items Sub-Total (Pool Plants)	- 11.1	673,652	652,763	757,820
Other (Shrinkage, Inventory, etc.)		2,987	2,989	1,786
Sales to Non-Pool Plants	- 57.6	61,964	80,418	146,015
In-Area Sales by Non-Pool Plants	+ 85.0	<u>98,728</u>	<u>93,516</u>	<u>53,374</u>
TOTAL CLASS I MILK	- 12.7	837,331	829,686	958,995
<u>Class II Uses - Pool Plants</u>				
Ice Cream Mixes	- 18.3	47,831	41,077	58,572
Livestock Feed and Milk Dumped		6,046	5,114	10,092
Shrinkage Class II		16,906	16,302	14,635
Other (Inv. Variation, Cottage Cheese, etc.)		64,196	62,244	82,471
Bulk Sales to Non-Pool Plants	+ 12.1	<u>197,861</u>	<u>203,159</u>	<u>176,524</u>
TOTAL CLASS II MILK	- 2.8	332,840	327,896	342,294
<u>CLASS I PACKAGED POUNDS</u>				
Distributed In Area - Pool Plants	- 9.6	471,423	455,424	521,350
Distributed Out of Area - Pool Plants	- 14.5	202,229	197,339	236,470
Distributed In Area - Non-Pool Plants	+ 85.0	<u>98,728</u>	<u>93,516</u>	<u>53,374</u>
% Producer Milk of Gross Class I		117.9	116.8	125.4
% Producer Milk Priced in Class I		74.8	75.9	73.7

TOTAL PACKAGE CLASS I POUNDS (DAILY AVERAGE) ON ROUTES IN THE  
MARKETING AREA BY POOL PLANTS AND NON-POOL PLANTS

	% Jan. '74			
	Over	Jan.	Dec.	Jan.
	Jan. '73	1974	1973	1973
<u>PACKAGE ITEMS</u>				
Homo Milk	- 11.1	339,547	324,500	381,850
Skim	- 4.1	16,295	14,762	16,999
2% Milk	+ 32.4	141,523	140,160	106,870
Buttermilk	- 1.2	45,563	45,501	46,132
Flavored Milk and Drink	+ 24.0	24,055	19,764	19,403
Fluid Creams, Yogurt and Dip	- 8.7	<u>3,168</u>	<u>4,253</u>	<u>3,470</u>
Class I Package Pounds - In Area	- 0.8	570,151	548,940	574,724



## COMPUTATION OF PRODUCER UNIFORM PRICE

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JANUARY 1974	Class %	Milk Pounds	Butterfat Test - %	Cwt. Price @ Test	Gross Value
Gross Class I		25,957,260	2.840		
Less Other Source		3,085,667	2.692		
Producer Milk Class I	74.8	22,871,593	2.859482	\$9.239155	\$2,113,141.93
Gross Class II		10,318,042	5.546		
Less Other Source		2,596,335	0.773		
Producer Milk Class II	25.2	7,721,707	7.151294	10.984522	848,192.60
TOTAL PRODUCER MILK (Cl.I+Cl.II)	100.0	30,593,300	3.942729		\$2,961,334.53
Less Fractional Adjustment					.22
Add Value of Class I Other Source and Producer Location Adjustment		12,198	0.00		6,717.46
Add ½ Producer-Settlement Fund Reserve					12,095.21
TOTAL VALUE AT TEST		30,605,498	3.941158	\$9.737293	\$2,980,146.98
Less Test over 3.5% @ 8.2¢ per point		30,605,498	.441158	.361750	110,715.39
TOTAL UTILIZATION VALUE AT 3.5%		30,605,498	3.5	\$9.375543	\$2,869,431.59
Less Producer-Settlement Fund Reserve		30,605,498		.045543	13,938.66
PRODUCER UNIFORM PRICE - 3.5% TEST		30,605,498	3.5	\$9.33	\$2,855,492.93

Reports from the following pool plants were included in the computation of the Order uniform producer price for January 1974.

Dairymen, Inc., Chattanooga, TN

Mayfield Dairy Farms, Inc., Athens, TN

Flav-O-Rich, Inc..

Ray Moss Farms, Inc., Chattanooga, TN

Happy Valley Dairy Div., Rossville, GA

The January 1974 ORDER MINIMUM uniform producer price is \$9.33 per cwt. f.o.b. pool plants for milk testing 3.5% butterfat. The producer butterfat differential is 8.2 cents for each one-tenth of one percent above or below 3.5 percent test. The Order minimum prices at test quoted below exclude premiums.

TEST-%	PRICE	TEST-%	PRICE	TEST-%	PRICE	TEST-%	PRICE
3.0	\$8.92	3.75	\$9.535	4.5	\$10.15	5.25	\$10.765
3.05	8.961	3.8	9.576	4.55	10.191	5.3	10.806
3.1	9.002	3.85	9.617	4.6	10.232	5.35	10.847
3.15	9.043	3.9	9.658	4.65	10.273	5.4	10.888
3.2	9.084	3.95	9.699	4.7	10.314	5.45	10.929
3.25	9.125	4.0	9.74	4.75	10.355	5.5	10.97
3.3	9.166	4.05	9.781	4.8	10.396	5.55	11.011
3.35	9.207	4.1	9.822	4.85	10.437	5.6	11.052
3.4	9.248	4.15	9.863	4.9	10.478	5.65	11.093
3.45	9.289	4.2	9.904	4.95	10.519	5.7	11.134
3.5	9.33	4.25	9.945	5.0	10.56	5.75	11.175
3.55	9.371	4.3	9.986	5.05	10.601	5.8	11.216
3.6	9.412	4.35	10.027	5.1	10.642	5.85	11.257
3.65	9.453	4.4	10.068	5.15	10.683	5.9	11.298
3.7	9.494	4.45	10.109	5.2	10.724	5.95	11.339

## JANUARY 1974 PRODUCER BUTTERFAT DIFFERENTIAL COMPUTATION

Butterfat Allocated	B'Fat Use Percentage	Prod. Lbs. Butterfat	Class B'Fat Differential	Butterfat Value
Class I	54.2	654,009	\$0.86	\$ 562,447.74
Class II	45.8	552,202	0.79	436,239.58
Total	100.0	1,206,211		\$ 998,687.32

Total Butterfat Value ÷ Total Producer fat pounds = \$0.827954

Producer Butterfat Differential per point variation from 3.5% ---\$0.082

## CHATTANOOGA ORDER MILK PRICES (3.5 PERCENT TEST)

Date	PRODUCER UNIFORM PRICES 1/ Per Hundredweight				HANDLER CLASS PRICES 1/ Class I                      Class II			
	Uniform	Base	Excess	Bf. Dif.	Cwt.	Bf. Dif.	Cwt.	Bf. Dif.
Jan. '73	\$6.90	-	-	8.2¢	\$7.47	8.5¢	\$5.43	7.8¢
Feb.	7.10	-	-	8.0	7.56	8.1	5.45	7.8
Mar.	6.95 2/	\$7.07	\$5.55	7.8	7.58	8.1	5.55	7.4
Apr.	6.80 2/	6.95	5.63	7.4	7.60	7.7	5.63	7.1
May	6.94 2/	7.10	5.66	7.2	7.70	7.4	5.66	7.0
June	7.10 2/	7.24	5.73	7.2	7.78	7.3	5.73	7.0
July	7.32 2/	7.44	5.78	7.4	7.81	7.3	5.78	7.3
Aug.	7.74	-	-	8.0	7.88	7.6	6.38	9.0
Sept.	8.28	-	-	9.6	8.37	9.4	6.91	9.9
Oct.	8.33	-	-	10.0	8.53	10.3	7.49	9.1
Nov.	8.86	-	-	9.2	9.06	9.5	7.64	8.6
Dec.	9.20	-	-	8.6	9.64	9.0	7.94	8.3
Jan. '74	9.33	-	-	8.2	9.79	8.6	8.10	7.9
Feb.	-	-	-	-	10.09	8.2	-	-
Mar.	-	-	-	-	10.25	-	-	-

Date	PRICE QUOTATIONS			PRODUCER MILK USE (Daily Average)					
	Chi.92° Butter	Chi.Area Powder	Minn/Wisc. Mfg. Milk	Class I		Class II		Percentage Use	
	¢ Lb.	¢ Lb.	Cwt. -3.5%	Pounds	Test-%	Pounds	Test-%	Cl.I	Cl.II
Jan. '73	67.72	39.06	\$5.43	885,877	3.04	316,704	6.53	73.7	26.3
Feb.	67.71	40.34	5.45	959,795	3.09	267,892	7.19	78.2	21.8
Mar.	64.17	41.99	5.55	888,264	3.01	373,861	5.92	70.4	29.6
Apr.	61.58	43.98	5.63	767,656	3.02	540,208	4.95	58.7	41.3
May	61.00	45.20	5.66	793,404	2.93	484,871	4.80	62.1	37.9
June	61.00	45.24	5.73	779,652	2.98	407,557	4.87	65.7	34.3
July	63.43	45.51	5.78	763,373	3.03	247,383	5.55	75.5	24.5
Aug.	78.15	47.96	6.38	647,883	2.89	126,570	7.38	83.7	16.3
Sept.	85.94	50.07	6.91	675,195	2.80	71,764	11.48	90.4	9.6
Oct.	79.34	50.82	7.49	672,259	2.78	66,947	13.28	90.9	9.1
Nov.	75.00	51.04	7.64	690,996	2.83	65,376	14.87	91.4	8.6
Dec.	71.98	52.03	7.94	735,380	2.94	233,683	6.96	75.9	24.1
Jan. '74	68.49	55.13	8.10	737,793	2.86	249,088	7.15	74.8	25.2

## SUMMARY OF RECEIPTS AND USE (DAILY AVERAGE POUNDS)

Date	HANDLERS GROSS MILK 3/				PRODUCER DATA				
	No.	Total	Class I	Pool	No.	Total	Base	Average	Av. Per.
	Hdlers	Receipts	Use	Plants	Prod.	Delivery	Delivery	Test-%	Farm
Jan. '73	18	1,301,289	958,995	6	769	1,202,581	-	3.96	1,564
Feb.	18	1,315,283	1,026,601	6	745	1,227,687	-	3.99	1,648
Mar.	18	1,354,127	956,276	6	739	1,262,125	1,162,997	3.87	1,708
Apr.	18	1,412,799	839,607	6	732	1,307,864	1,162,188	3.82	1,787
May	18	1,367,832	861,685	6	726	1,278,275	1,140,405	3.64	1,761
June	18	1,273,527	843,702	6	720	1,187,209	1,076,817	3.63	1,649
July	17	1,128,476	857,423	4	630	1,010,756	938,848	3.64	1,604
Aug.	17	905,289	742,937	4	601	774,453	-	3.63	1,289
Sept.	16	954,718	786,950	3	567	746,959	-	3.63	1,317
Oct.	16	926,692	776,654	3	561	739,206	-	3.74	1,318
Nov.	16	916,985	793,538	3	553	756,372	-	3.87	1,368
Dec.	17	1,157,582	829,686	4	624	969,063	-	3.91	1,553
Jan. '74	17	1,170,171	837,331	4	626	986,881	-	3.94	1,576

1/ Excludes Premiums

2/ Weighted Average Price

3/ Other Source is Gross minus Producer; Class II is Receipts minus Class I



MILK PRODUCTION BY STATES AND COUNTIES  
FOR THE CHATTANOOGA MARKETING AREA 5/

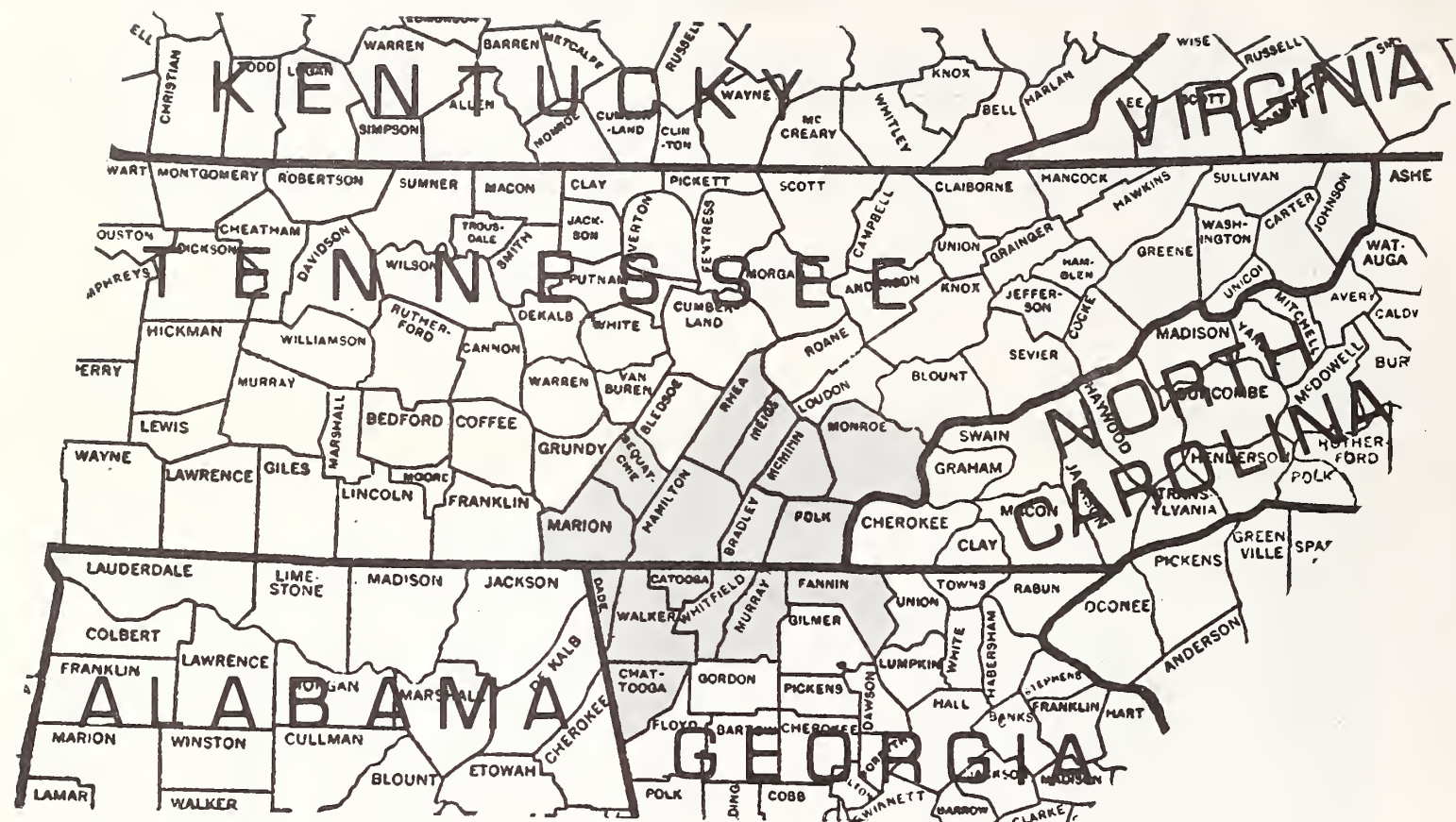
States and Counties	December 1973				December 1972			
	Milk Delivered Pounds	Percent of Total	Number of Producers	Daily Av. Lbs. Per Farm	Milk Delivered Pounds	Percent of Total	Number of Producers	Daily Av. Lbs. Per Farm
<u>KENTUCKY</u>								
Barren					-		5	
Simpson					-		1	
Total 3/	None				267,225	.74%	6	1,437
<u>TENNESSEE</u>								
Bedford					357,535	.98	6	1,922
Bledsoe	574,919	1.91	16	1,159	611,961	1.68	18	1,097
Blount	136,501	.46	23	191	-			
Bradley	2,951,382	9.82	68	1,400	3,286,562	9.02	72	1,472
Coffee	86,209	.28	3	927	389,619	1.07	11	1,143
Cumberland	1,492,548	4.97	26	1,852	1,930,923	5.30	35	1,780
Fentress	303,662	1.01	9	1,088	345,137	.95	12	928
Franklin	1,789,431	5.96	41	1,408	1,808,771	4.97	42	1,389
Grundy	116,907	.39	4	943	-			
Hamilton	1,415,400	4.71	26	1,756	1,376,042	3.78	27	1,644
Loudon	1,942,782	6.47	45	1,393	2,132,887	5.86	43	1,600
Marion	290,899	.97	10	938	347,784	.95	13	863
McMinn	6,568,768	21.87	113	1,875	6,724,848	18.46	115	1,886
Meigs	786,247	2.62	21	1,208	1,134,983	3.12	23	1,592
Monroe	3,260,591	10.85	53	1,985	3,741,917	10.27	63	1,916
Moore	69,789	.23	2	1,126	267,288	.73	7	1,232
Overton	983,735	3.27	22	1,442	957,292	2.63	23	1,343
Polk	1,248,376	4.16	16	2,517	1,570,509	4.31	19	2,666
Putnam	1,424,128	4.74	24	1,914	1,281,889	3.52	21	1,969
Rhea	445,816	1.48	15	959	538,863	1.48	18	966
Roane	761,047	2.53	21	1,169	873,322	2.40	22	1,281
Rutherford	-				318,904	.88	7	1,470
Sequatchie	422,212	1.41	10	1,362	405,258	1.11	11	1,188
Van Buren	-				72,953	.20	3	784
Warren	-				451,406	1.24	11	1,324
White	1,902,697	6.33	31	1,980	1,566,271	4.30	23	2,197
Williams	-				196,640	.54	3	2,114
Wilson	-				99,166	.27	3	1,066
Others 4/	123,767	.42	2	1,886	541,896	1.49	14	1,249
Total	29,097,813	96.86%	601	1,562	33,330,626	91.51%	665	1,617
TOTAL MARKET	30,040,945	100.00%	624	1,553	36,421,569	100.00%	723	1,625

3/ Kentucky totals only are shown since information is restricted by counties.

4/ 1973 - Includes one producer in each Lincoln and Morgan counties.

1972 - Includes one producer in each Cannon, Giles, Lincoln and Morgan counties  
and two producers in each DeKalb, Grundy, Macon, Marshall and Smith Counties.

5/ Continued - See page 1 - Map



MILK PRODUCTION BY STATES AND COUNTIES  
FOR THE CHATTANOOGA MARKETING AREA 2/

States and Counties	Milk Delivered Pounds	December 1973			Milk Delivered Pounds	December 1972		
		Percent of Total	Number of Producers	Daily Av. Lbs. Per Farm		Percent of Total	Number of Producers	Daily Av. Lbs. Per Farm
<u>ALABAMA</u>								
DeKalb	-				99,678	.27	1	3,215
Jackson	-				-			
Total	None				99,678	.27%	1	3,215
<u>GEORGIA</u>								
Catoosa	372,153	1.24	7	1,715	1,175,890	3.23	17	2,231
Gilmer	-				64,851	.18	3	697
Walker	556,163	1.85	15	1,196	609,829	1.67	16	1,230
Whitfield	14,816	.05	1	478	499,664	1.37	9	1,791
Other 1/	-				373,806	1.03	6	2,010
Total	943,132	3.14%	23	1,323	2,724,040	7.48%	51	1,723

1/ 1972 - Includes one producer in each Chattooga and Union counties and two producers in Fannin and Murray counties.

2/ The Order marketing area is the 16 counties shown as shaded on the map.